

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

March 15, 2007

OK

TO: Internal File

THRU: Wayne Western, Team Lead *W H W*

FROM: Priscilla Burton, Certified Professional Soil Scientist *PB by ar*

RE: Permit Area Expansion – Addition of 40 Acres, Canyon Fuel Company, LLC, Dugout Mine, C/007/0039, Task ID #2762

SUMMARY:

A BLM lease modification for 40 acres was received on January 26, 2007 and reviewed as task 2743. A response to “deficiencies” was received on March 7, 2007 and is the subject of this administrative and air quality review. A BLM Lease modification was received by the Permittee on March 16, 2007 and delivered by overnight express to the Division’s SLC office.

Approval is recommended for the 40 acre IBC. Perhaps as a condition of approval, the Division should require that the surface facilities Plate 5-2 be revised to more accurately show the footprint of the coal storage stockpile (as shown in Appendix 5-12).

TECHNICAL ANALYSIS:

GENERAL CONTENTS

IDENTIFICATION OF INTERESTS

Regulatory Reference: 30 CFR 773.22; 30 CFR 778.13; R645-301-112

Analysis:

No change to existing information.

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Findings:

The approved Mining and Reclamation plan meets the requirements of the Regulations.

VIOLATION INFORMATION

Regulatory Reference: 30 CFR 773.15(b); 30 CFR 773.23; 30 CFR 778.14; R645-300-132; R645-301-113

Analysis:

No change to existing information.

Findings:

The approved Mining and Reclamation plan meets the requirements of the Regulations.

RIGHT OF ENTRY

Regulatory Reference: 30 CFR 778.15; R645-301-114

Analysis:

Right of Entry information is found in the MRP Section 114 and Appendix 1-1. Federal Lease U-07064-027821 has been increased by 40 acres to include the NW ¼ NW ¼ of Sec. 21 T. 13 S., R. 13 E. A BLM Lease modification was received by the Permittee on March 16, 2007 and was delivered by overnight express to the Division's SLC office. The MRP tabulates the new lease acreage to be 2,456.14 acres. The 40-acre addition is within the surface land holdings of the Thayn Trust. The Surface Owner Agreement between the Thayn Trust and Canyon Fuel Company is included in Appendix 4-2 of the MRP. The agreement will expire in 2019.

Plates 7-1 and 7-2 show the location of a jeep trail on Gil L. Conover's land that is used to access the monitoring locations in the federal lease U-07064-027821. Appendix 4-4 provides documentation for the use of the trails. Mr. Conover is listed as an affected owner and his address is provided in Section 112.500 of the MRP.

Findings:

The information in the proposed amendment is considered adequate to meet the requirements of this section for approval of the 40-acre IBC.

LEGAL DESCRIPTION AND STATUS OF UNSUITABILITY CLAIMS

Regulatory Reference: 30 CFR 778.16; 30 CFR 779.12(a); 30 CFR 779.24(a)(b)(c); R645-300-121.120; R645-301-112.800; R645-300-141; R645-301-115.

Analysis:

The application does not change the status of unsuitability claims for the coal mining and reclamation operation as defined by the rules and by the 2003 District Court of Appeals Decision that subsidence is not considered within the definition of coal mining and reclamation operations.

Findings:

The available information meets the requirements of the Regulations.

PERMIT TERM

Regulatory References: 30 CFR 778.17; R645-301-116.

Analysis:

This amendment does not change the permit renewal dates.

Findings:

The information available meets the requirements of the Regulations.

PUBLIC NOTICE AND COMMENT

Regulatory References: 30 CFR 778.21; 30 CFR 773.13; R645-300-120; R645-301-117.200.

Analysis:

Certificates of Insurance are located in the General Chapter 1 Volume, App. 1-2. There is no change to this information with this application.

This amendment is not considered a significant revision and therefore, no public notice was required.

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Findings:

The information presented meets the requirements of the Regulations.

OPERATION PLAN

AIR POLLUTION CONTROL PLAN

Regulatory Reference: 30 CFR 784.26, 817.95; R645-301-244, -301-420.

Analysis:

The first two pages of the 2005 Air Quality Order DAQE# AN1634004-03 are provided in Appendix 4-1 of the MRP. The Permittee declined to provide the entire public document and instructed the Division to obtain the complete AO from the Division of Air Quality. The complete document was obtained and has been placed into the 2007 Incoming folder for the mine.

The application indicates that a Notice of Intent (NOI) was filed with the DAQ to change the Air Quality Order to increase allowable twelve-month throughput from 5 million tons to 7 million tons. According to the DEQ, the NOI application was filed on April 14, 2006 and has been amended several times since, with the last amendment dated January 2007.

Appendix 5-12 illustrates the "maximum potential" coal storage area. Given the height of the stacking tube (74 ft.) and the 35° angle of repose for coal and the 68 lbs/ft³ density of bituminous coal, the Division calculates the area required for the two 7,500 stockpiles indicated on the process flow diagram in Figure 5-2, to be approximately 3.2 acres. The **maximum potential** storage area indicated on Appendix 5-12 was approximated by the Division to be 3 acres. The January 2007 Notice of Intent for the increase to 7 MT included a 2.5 acre stockpile area.

Figure 5-2 and the 2005 AO indicate the capabilities of the in-mine conveyor (3,600 Tons/hr); the crusher (1,300 Tons/hr), and loadout bin (275 Tons). Based upon this information, the stockpile size will likely increase under a 7 MT throughput plan. Figure 5-12 more accurately portrays the size of the stockpile than the image on Plate 5-2, especially given the increase in throughput to 7 million tons and the known limitations in crushing and loading capability. The Division recommends that the surface facility map be redrawn to project the more accurate footprint. In addition, during a phone conversation on March 16, 2007 with the Permittee, the Division recommended that in future communication between the Permittee and the DAQ, the Appendix 5-12 footprint of the stockpile be described.

Findings

The information provided meets the requirements for coordination with air quality. The Division recommends that the surface facility map, Plate 5-2, be redrawn to project the more accurate footprint.

SUBSIDENCE CONTROL PLAN

Regulatory Reference: 30 CFR 784.20, 817.121, 817.122; R645-301-521, -301-525, -301-724.

Analysis:

Renewable Resources Survey

The pre-subsidence survey consists of the hydrology information in the MRP, Chapter 7 and aerial photographs taken in 2006. The former establishes the location of state appropriated water supplies within the permit area and the latter, a lack of existing structures in the 40 acres (Appendix 5-12). Letters describing that this information was available from the Division files were mailed to the landowners on February 22, 2007. According to the March 7, 2007 cover letter associated with this application, Gil L. Conover declared that there were no structures on the surface within the angle of draw (see Plate 5-7 for angle of draw).

Notification

Surface landowners immediately above the mine workings have been notified.

Findings:

Information provided meets the minimum required for pre-subsidence survey.

RECOMMENDATIONS:

Approval is recommended for the 40 acre IBC. The Division should require that Plate 5-2 be redrawn to more accurately show the footprint of the coal storage stockpile shown in Appendix 5-12.